
HOUSE BILL No. 1031

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.1-27.

Synopsis: Biodiesel tax credits. Increases the limit on tax credits for biodiesel and blended biodiesel producers from \$1,000,000 to \$5,000,000. Provides that the tax credits are in addition to any federal tax credit a producer may receive. Provides that taxpayers that sell blended biodiesel to end users in Indiana are entitled to tax credits not to exceed \$5,000,000. (Current law limits total credits to \$1,000,000 for blended biodiesel dealers that sell and dispense blended biodiesel from metered pumps.) Repeals two definitions that are not used in the amended biodiesel credit law.

Effective: January 1, 2005 (retroactive).

Heim

January 4, 2005, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

HOUSE BILL No. 1031

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-3.1-27-8 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
3 Sec. 8. (a) A taxpayer that produces biodiesel at a facility located in
4 Indiana is entitled to a credit against the taxpayer's state tax liability
5 equal to the product of:

6 (1) one dollar (\$1); multiplied by

7 (2) the number of gallons of biodiesel:

8 (A) produced at the Indiana facility during the taxable year;

9 and

10 (B) used to produce blended biodiesel.

11 (b) The credit provided by this section shall be reduced by any
12 ~~credit or~~ subsidy that the taxpayer is entitled to receive from the federal
13 government for the production of biodiesel by the taxpayer.

14 (c) The total amount of credits allowed under this section may not
15 exceed ~~one~~ **five** million dollars ~~(\$1,000,000)~~ **(\$5,000,000)** for all
16 taxpayers and all taxable years.

17 SECTION 2. IC 6-3.1-27-9 IS AMENDED TO READ AS

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IN 1031—LS 6293/DI 103+



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FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
 Sec. 9. (a) A taxpayer that produces blended biodiesel at a facility located in Indiana is entitled to a credit against the taxpayer's state tax liability equal to the product of:

- (1) two cents (\$0.02); multiplied by
- (2) the number of gallons of blended biodiesel:
 - (A) produced at the Indiana facility; and
 - (B) blended with biodiesel produced at a facility located in Indiana.

(b) The credit provided by this section shall be reduced by any ~~credit or~~ subsidy that the taxpayer is entitled to receive from the federal government for the production of blended biodiesel by the taxpayer.

(c) The total amount of credits allowed under this section may not exceed ~~one~~ **five** million dollars ~~(\$1,000,000)~~ **(\$5,000,000)** for all taxpayers and all taxable years.

SECTION 3. IC 6-3.1-27-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:
 Sec. 10. (a) A taxpayer that

- ~~(1) is a dealer; and~~
- ~~(2) operates a service station sells blended biodiesel to end users in Indiana at which blended biodiesel is sold and dispensed through a metered pump in a taxable year~~

is entitled to a credit against the taxpayer's state tax liability.

(b) The amount of the credit allowed under this section is the product of:

- (1) one cent (\$0.01); multiplied by
- (2) the total number of gallons of blended biodiesel sold ~~and dispensed through all the metered pumps located at a service station described in subsection (a)(2):~~ **to end users in Indiana.**

~~(c) The credit allowed under this section must be computed separately for each service station operated by the taxpayer that meets the requirements of subsection (a)(2):~~

~~(d)~~ (c) The total amount of credits allowed under this section may not exceed ~~one~~ **five** million dollars ~~(\$1,000,000)~~ **(\$5,000,000)** for all taxpayers and all taxable years.

SECTION 4. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: IC 6-3.1-27-3; IC 6-3.1-27-5.

SECTION 5. [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]
IC 6-3.1-27-8, IC 6-3.1-27-9, and IC 6-3.1-27-10, all as amended by this act, apply to taxable years beginning after December 31, 2004.

SECTION 6. **An emergency is declared for this act.**

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